

DAILY MARKETS OVERVIEW

12 SEPTEMBER 2018

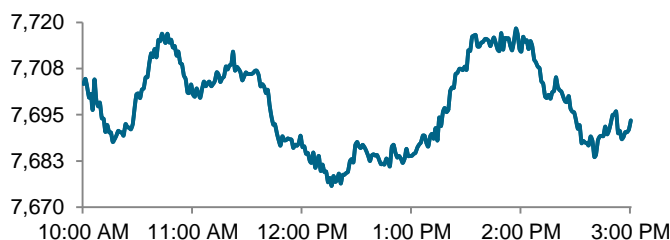
السوق الفرنسي كابتال

Saudi Fransi Capital

Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,693	-0.2	0.1	6.5	16.9
Saudi (NOMU)	2,583	0.1	0.6	-17.7	8.5
Energy	4,744	0.0	-0.5	10.9	16.2
Materials	5,567	0.0	0.3	10.1	17.7
Capital Goods	3,700	0.5	-0.8	-14.8	NA
Com. & Prof. Svc	4,503	-0.2	0.1	7.1	19.5
Transportation	3,756	-0.7	-1.8	-6.4	22.8
Cons. Durables & Apparel	3,667	-0.6	-1.3	-11.4	NA
Consumer Services	3,105	-0.3	-2.4	-15.7	17.6
Media	12,124	-1.4	1.7	56.7	NA
Retailing	6,206	-0.7	1.1	10.2	23.2
Food & Staples Retailing	5,533	-1.7	-1.5	-1.4	41.0
Food & Beverages	4,190	0.2	1.2	-14.4	26.8
Health Care Equipment	4,013	-0.3	0.7	-9.7	19.1
Pharma, Biotech & Life Science	4,037	-0.5	-1.0	1.7	26.0
Banks	6,662	-0.3	-0.1	21.1	12.2
Diversified Financials	3,487	-0.1	-1.7	-13.5	NA
Insurance	3,802	1.1	2.3	-19.5	31.0
Telecommunication	4,964	-0.1	2.0	16.8	16.1
Utilities	3,698	-0.2	-0.6	-18.9	NA
REITs	3,671	-0.2	-0.5	-20.7	NA
Real Estate	3,352	-0.3	-1.7	-28.6	27.5

Sources: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
The Mediterranean & Gulf Insurance & Reinsurance Co.	15.20	10.0%	2.1
The Company for Cooperative Insurance	55.00	6.0%	45.0
Saudi Cable Co.	24.42	4.9%	2.0
Gulf Union Cooperative Insurance Co.	14.18	4.1%	10.6
Basic Chemical Industries Co.	22.16	4.0%	4.2

Source: Tadawul

Upcoming General Assembly Meetings

Company	Date
Mouwasat Medical Services Co.	17-Sep-18
United Electronics Co.	18-Sep-18
Fawaz Abdulaziz Alhokair Co.	25-Sep-18
Saudi Investment Bank	26-Sep-18
Abdullah Al Othaim Markets Co.	26-Sep-18
Middle East Specialized Cables Co.	27-Sep-18

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of September 12, 2018
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.2% lower at 7,693 while NOMU ended 0.1% higher at 2,583 on Tuesday. TASI traded value totaled SAR 2.0bn and averaged SAR 2.6bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 52.3% of the daily traded value.
- Banks ended 0.3% lower, while Materials ended flat. Telecom ended 0.1% lower. Insurance (up 1.1%) was the best performer. Among stocks, The Mediterranean & Gulf Insurance & Reinsurance Co. (8030/MEDGULF AB), The Company for Cooperative Insurance (8010/TAWUNIYA AB), and Saudi Cable Co. (2110/SCACO AB) led the gainers.
- According to the Saudi Arabian Monetary Authority (SAMA), the total value of assets under management (AUM) by investment funds in KSA surged 25.5% Y/Y to around SAR 110bn (USD 29.4bn) by the end of 2017. (Source: Argaam)
- KSA plans to announce a potential US dollar-denominated sukuk deal, while the sukuk size has not been finalized yet. The planned issue will be the country's second international sukuk, following a USD 9.0bn (SAR 33.7bn) debut deal last year. (Source: Reuters)
- The Ministry of Labour and Social Development (MLSD) revealed KSA's plans to move forward with Saudization by nationalizing 43 types of jobs across four retail sub-sectors, including shops selling utensils and home goods, car and motorbike showrooms, places that sell home and office furniture, and ready-to-wear clothes. (Source: Zawya)
- The Minister of Transport revealed that the country is working on expanding passenger and freight services across the country in order to become a global logistics hub. He added the railway sector is witnessing qualitative growth, with an added focus on freight. (Source: Argaam)
- Saudi Basic Industries Corp. (2010/SABIC AB) signed an MoU with Fujian Provincial Government in China to develop a world-scale petrochemical complex in Fujian. (Source: Argaam)
- Saudi Airlines Cargo Company (Saudia Cargo) announced the expansion of its facilities at King Abdulaziz International Airport in Jeddah and King Khalid International Airport in Riyadh to 820,000 tons and 530,000 tons a year, respectively. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Dur Hospitality Co.	19.40	-3.3%	1.6
Saudi Fisheries Co.	21.02	-3.0%	10.2
Arabian Cement Co.	19.94	-2.5%	7.2
Arab National Bank	32.00	-2.4%	2.4
Saudi Steel Pipe Co.	20.80	-2.4%	8.8

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Alinma Bank	19.94	-0.6%	372
Saudi Basic Industries Corp.	119.80	0.7%	354
Al Rajhi Bank	84.20	0.8%	144
Dar Alarkan Real Estate Development Co.	9.10	-1.4%	90
Saudi Kayan Petrochemical Co.	16.68	-0.1%	77

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,833	-0.6	0.2	-15.9	7.5
Abu Dhabi (ADX)	4,993	0.1	1.5	13.5	13.2
Kuwait (KSE)	5,222	0.0	-1.9	1.8	16.1
Qatar (QE)	9,931	0.4	1.1	16.5	14.7
Oman (MSM)	4,486	0.0	1.2	-12.0	11.0
Bahrain (BSE)	1,343	0.0	0.2	0.8	9.1
DJMENA Index	559	-0.1	0.4	6.2	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	2,888	0.4	0.6	8.0	20.8
US (NASDAQ 100)	7,972	0.6	0.9	15.5	24.4
UK (FTSE 100)	7,274	-0.1	-0.1	-5.4	16.2
Germany (DAX)	11,970	-0.1	0.1	-7.3	13.8
France (CAC 40)	5,284	0.3	0.6	-0.5	16.7
Russia (MICEX)	2,335	0.0	0.6	10.7	NA
Japan (Nikkei)	22,665	1.3	1.6	-0.4	16.4
Hong Kong (HSI)	26,423	-0.7	-2.0	-11.7	10.0
South Korea (KOSPI)	2,283	-0.2	0.1	-7.5	11.0
China (SHCOMP)	2,665	-0.2	-1.4	-19.4	12.5
India (NIFTY)	11,288	-1.3	-2.6	7.2	23.5
Brazil (IBOV)	74,657	-2.3	-2.3	-2.3	NA
Turkey (BIST 100)	92,389	0.8	-0.9	-19.9	6.9
Egypt (EGX30)	15,628	0.0	-1.1	4.1	13.3
MSCI Emerging Markets	1,003	-0.8	-1.9	-13.4	12.4
MSCI World	2,148	0.2	0.5	2.1	18.4

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	79.1	2.2	2.9	18.2	46.8
Natural Gas (\$/mmbtu)	2.8	0.9	1.9	0.7	-4.5
Gold (\$/oz)	1,199	0.2	0.2	-8.2	-9.7
Silver (\$/oz)	14.1	-0.3	-0.2	-17.1	-20.5
Platinum (\$/oz)	792	0.7	1.1	-15.0	-20.2
Copper (\$/t)	5,844	-0.8	-1.2	-18.9	-13.2
Zinc (\$/t)	2,301	-3.2	-5.0	-31.0	-25.3
Lead (\$/mt)	1,970	-4.2	-3.3	-21.0	-12.8
Wheat (\$/bu)	519	-1.8	1.5	11.4	0.4
Corn (\$/bu)	367	-0.1	-0.1	-4.5	-8.0
Sugar (\$/lb)	12.0	7.1	9.0	-21.1	-25.0

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	2.33	0.00	0.64	0.00
Saudi Arabia	2.63	0.00	0.73	0.29
UAE	2.53	0.04	0.74	0.20
Kuwait	2.06	0.00	0.19	-0.27
Qatar	2.65	0.00	0.00	0.32
Bahrain	3.53	0.00	0.80	1.19

Source: Reuters

NOTES: (1) Prices updated as of September 12, 2018 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended mixed on Tuesday. S&P 500 and NASDAQ gained 0.4% and 0.6%, respectively. Dow Jones Industrial ended 0.4% higher. In Europe, both UK and Germany ended 0.1% lower, while France closed 0.3% higher.
- Asian markets are trading mixed on Wednesday. China is trading 0.3% lower. Japan and South Korea are trading 0.5% and 0.4% lower respectively. Hong Kong is down 0.4%, while India is trading 0.3% higher in the morning session.
- GCC markets ended mixed on Tuesday. Dubai decreased 0.6% while Abu Dhabi ended 0.1% higher. Qatar closed 0.4% higher. Kuwait, Oman and Bahrain were closed for trading.
- Moody's stated the potential merger between Abu Dhabi Commercial Bank (ADCB UH), Union National Bank (UNB UH), and Al Hilal Bank (AHB) would be a credit-positive for the UAE banking system. It added the merger would reduce pressure on funding cost and increase the ability to meet sizeable investments. (Source: Argaam)
- According to the UAE's Central Bank, the real estate sector is the leading sector that supports the UAE economy, making up 6.4% of the country's non-oil GDP. Its overall value reached AED 81.2bn (USD 22.1bn) in 2017, compared to AED 79bn (USD 21.5bn) in 2016. (Source: Trade Arabia)
- Pressure on the UAE maritime industry is expected to ease as the Federal Transport Authority is negotiating a VAT exemption with the Federal Tax Authority following the UAE's decision to exempt gold and precious metals from value-added tax. (Source: Zawya)
- The UAE Ministry of Human Resources and Emiratisation will begin applying a new classification system for private sector professions: the Emirati Vocational Classification. The scheme would be applied on a trial basis, targeting private companies registered with the Ministry in Umm Al Quwain. (Source: Zawya)
- Bahrain Minister of Housing revealed the government is preparing a study and conducting field visits to a number of sites for the establishment of housing projects aimed at serving 15 areas and villages across the country. (Source: Trade Arabia)
- Dubai Land Department (DLD) signed a memorandum of understanding (MoU) with the France-based Reed Midem SAS to promote the services offered by DLD. (Source: Trade Arabia)
- Dubai International Airport (DXB) retained its position as the world's number one international airport for the fourth consecutive year in 2017 with annual passenger traffic exceeding 88.2mn passengers. (Source: Trade Arabia)
- UAE based ADNOC Distribution (ADNOC DIS UH) announced an agreement with Etisalat Digital for a cloud-based digital signage advertising network which will be rolled out across 100 ADNOC Distribution service stations. (Source: Arabian Business)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended September 7 (prior: -4.3mn barrels) will be announced today. (Source: Econoday)
- US jobless claims for the week ended September 8 (prior: 203K; consensus: 210K) will be announced tomorrow. (Source: Econoday)
- Change in US's CPI for August 2018 (prior: 0.2% M/M, 2.9% Y/Y; consensus: 0.3% M/M, 2.8% Y/Y) will be announced tomorrow. (Source: Econoday)



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